

# 2014-2015 Qualified Allocation Plan (QAP) Frequently Asked Questions (FAQs)

**Updated 9/23/14** 

## **THRESHOLD**

- If there aren't related party fees, do I need to submit Form N (p. 32)?
   You must still submit Form N, but indicate that there are no related party fees while signing and dating the bottom of the form.
- When calculating the contractor fee, which line items does IHCDA include in the 14% calculation?

IHCDA includes the following line items (Form A, p. 47) in the denominator: b1 + c1 + c2 + c3 + c4.

Do I need to submit a CNA if I'm doing an adaptive reuse/gut rehab project?
 In these instances, you may submit a waiver request and submit a structural conditions report. If a waiver request is not submitted or approved, a third party CNA is required (but the format may be modified to what is applicable).

#### **UPDATED 9/23/14**

• If I'm doing both adaptive reuse and new construction, how do I calculate the maximum developer fee?

You separate the unit types and establish the maximum for each category. You then combine the two for the maximum developer fee.

# **EVALUATION CRITERIA**

 What were the ranges on cost per square foot in the last round for the 3 project types?

Please see Exhibit A.

• Under Building Certification, can you obtain 4 points by combining multiple 2 point categories (p. 59)?

No, 4 points may only be obtained by committing to the highest rating.

Under Infill Housing, what is the definition of underused (p. 51)?

Underused refers to existing parcels of land or buildings that are not fully utilized. An operating/occupied rental property cannot qualify as underused, even if it has a high vacancy (which doesn't meet the definition of underused for the purposes of this category).

 Under Adaptive Reuse, what is considered a "significant" part of the development as a whole?

Typically, this means that it has at least 50% of the program units or comprises at least 50% of the total development square footage.

- Can the local jurisdiction or environmental consulting firm declare a site a brownfield?

  No, to qualify under brownfield, it must be declared a brownfield site by the EPA, IDEM, or other environmental regulatory agency.
- For a scattered site project, does each site have to meet the definition of a brownfield or a greyfield to qualify for the respective categories?

No, as long as one of the sites meets all of the requirements, it can qualify.

• For a scattered site project, how is the ¼ mile radius taken into account for Offsite Improvements?

Each individual site must be within a ¼ mile of offsite improvements to qualify.

Can a parking lot be considered an off-site improvement?

Only if the cost and source of funding is mutually exclusive of the project development cost. If the parking lot is adjacent and the project would not have sufficient parking without it, you must explain how this is off-site and not a required component of the development.

 What is considered an "active" tax credit development? Where can I find a list of these?

An active tax credit development is one that has received an award, including both pre Year 15 and post Year 15 and still operating under its extended use agreement. A list can be found at the following link: http://www.in.gov/myihcda/2454.htm

Under Opportunity Index, do I need all three to obtain 3 points?
 No, points may be obtained for each category individually.

Where can I find the latest school ratings? What year should I use?
 School grades can be found here: <a href="http://www.doe.in.gov/accountability/f-accountability">http://www.doe.in.gov/accountability/f-accountability</a>. You will use the most recent grades available at the time the application is submitted.

 Under Certified Tax Credit Compliance Specialist, can the same certification be counted twice?

Only if one is held by the owner and one is held by the management. To get points for a second certification under management, it must be a different certification.

• At what point is a Local Redevelopment Plan considered too old?

There is not a specific timeframe, as each community and plan will differ. If there isn't evidence that the plan reflects current conditions and is still being used, it will not qualify.

 Can two redevelopment plans be considered together in order to qualify for the full 13 points?

If a plan qualifying for 10 points is not adopted by a local unit of government, you cannot submit a second plan that is adopted in order to obtain 3 additional points.

• Under Building Certification, is there a specific form that the Green Professional must sign?

There is not specific form, but the Green Professional must sign-off on all of the selections made. Please include this with the affidavits.

What are the requirements for a Smart Use Training?

IHCDA conducted a Smart Use training earlier this year. Copies of the training documents are available upon request.

#### **UPDATED 8/8/14**

 Do Areas of Chronic Economic Distress also qualify for "Difficult to Develop Area (DDA)" points in Section G(4)(c)?

No, only HUD-designated DDAs. However, HUD recently released an updated list and Indiana no longer has any DDAs (removing Jackson & Scott Counties). Watch for an

updated Appendix F to be released. In the meantime, a complete listing (including updated QCTs) can be found here: <a href="http://qct.huduser.org/index.html">http://qct.huduser.org/index.html</a>
AN UPDATED APPENDIX F IS NOW AVAILABLE.

### **UPDATED 8/12/14**

• Under Desirable Sites – Location Efficient Projects, can a gas station or convenience store count for fresh produce?

Simply listing one of these facilities wouldn't meet the requirement. You must provide detail on what fresh produce & healthy food options it provides, with enough produce at any given site to provide a meal for more than one family. IHCDA may further validate this as part of our site visit.

#### UPDATED 9/23/14

Does RAD qualify for Federally Assisted Revitalization Award points?

While RAD involves a partnership between HUD and local PHAs, RAD by itself would not qualify because it does not create a mixed income phased community with a significant market component.

## **CORRECTIONS TO THE QAP**

Credit Reduction Example

On the credit reduction example on page 65 of the QAP, the requested/maximum credits available should be 97.25%. Because percentages are rounded up, the example would result in 2 points rather than 3.

Opportunity Index – School Grades

The updated website is <a href="http://www.doe.in.gov/accountability/f-accountability">http://www.doe.in.gov/accountability/f-accountability</a>.

#### **UPDATED 8/12/14**

Preservation of Existing Affordable Housing

The documentation required to send to the HUD Field Office should read:

- a) Source of Funds from Form A, <u>Section Y</u> (instead of Section W)
- b) Cost/Basis/Maximum Allowable Credit from Form A, Section Z (instead of Section X)